



DEPARTMENT of ENVIRONMENT and NATURAL RESOURCES  
Minerals & Mining Program - Oil & Gas Section  
2050 West Main, Suite #1, Rapid City, SD 57702-2493  
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FORM 2  
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APR 25 2008

DEPT OF ENVIRONMENT & NATURAL  
RESOURCES - RAPID CITY

## APPLICATION FOR PERMIT TO DRILL

Type of well: ☒ Oil Well ☐ Gas Well ☐ Injection  
☐ Reenter Well ☐ Drill Directional Well  
☐ Other \_\_\_\_\_

Name and Address of Operator:

Continental Resources, Inc. P.O. Box 1032 Enid, OK 73702

Telephone

(580) 233-8955

Name and Address of Surface Owner:

Beer Mug Ranch Trust c/o Chris &amp; Paul Palczewski, P.O. Box 473, Bowman, ND 58623-0473

Name and Address of Drilling Contractor and Rig Number:

Nabors Drilling, Rig #42 515 W. Greens Rd., Suite 1000, Houston, TX 77067

Surface Location of well: Qtr-Qtr, Sec, Twp, Rge, County, feet from nearest lines of section, and latitude and longitude (if available):

NENE, Sec 11-22N-6E, Harding Co., 330' FNL &amp; 330' FEL

If Directional, top of pay and bottom hole location from nearest lines of section:

Top of Pay 8950' TVD @ 619' FNL &amp; 619' FEL, BHL 660' FSL &amp; 660' FWL, Sec 11-22N-6E

Acres in Spacing (Drilling) Unit

640 acres, Order # 10-2007

Description of Spacing Unit

All of section 11-22N-6E

Well Name and Number		Elevation	Field and Pool, or Wildcat		Proposed Depth and Formation
Beer Mug Ranch 1-11H		2910	Wildcat		14,840' MD/Red River "B"
Size of Hole	Size of Casing	Weight per Foot	Depth	Cementing Program (amount, type, additives) Depth	
1) 13 1/2"	9 5/8"	36#	1440	350 sks "C", 2% GYP; 190 sks "C"	
2) 8 3/4"	7"	23-29#	9180	630 sks 35/65 Poz/"G"; 250 sks "G"	
3)					
4)					

Describe Proposed Operations (Clearly State all Pertinent Details, and Give Pertinent Dates, Including Estimated Date of Starting any Proposed Work). Use additional page(s) if appropriate.

The Beer Mug Ranch is a horizontal Red River "B" test. The well will be drilled vertically to approximately the top of the Silurian Interlake formation before drilling a medium radius build section in a 135 degree azimuth direction and 7" casing set a goot or so above the Red River "B" porosity zone, estimated to be at 8950' TVD. Pit will be lined with a 12 mil plastic liner. Estimated spud date 10/14/2008.

I hereby certify that the foregoing as to any work or operation performed is a true and correct report of such work or operation.

Nicole Caddell  
Signature

Nicole Caddell  
Name (Print)

Regulatory  
Title

04/21/2008  
Date

## FOR OFFICE USE ONLY

Approved By: [Signature]Title: Oil and Gas SupervisorPermit No. 1874API No. 40 063 20649Date Issued: May 27, 2008

Conditions, if any, on attached page.